

## FISCAL NOTE

**DATE OF COUNCIL CONSIDERATION:**

**November 10, 2016**

**CONTACT DEPARTMENTS:** Austin Water/Neighborhood Housing/Development Services

**SUBJECT:**

C814-2012-0152 - Pilot Knob Planned Unit Development - District 2 - Approve third reading of an ordinance amending City Code Title 25 by zoning property locally known as east and southeast of the intersection of East William Cannon Drive and McKinney Falls Parkway, and west of South U.S. Highway 183 and FM 1625 (Cottonmouth Creek Watershed; North Fork Creek Watershed; South Fork Creek Watershed) from interim-rural residence (I-RR) district zoning and interim-single family residence-standard lot (SF-4A) district zoning to planned unit development (PUD) district zoning. The ordinance may include exemption from or waiver of fees, alternative funding methods, modifications of City regulations, and acquisition of property. First Reading approved on October 8, 2015. Vote: 10-0, Council Member Pool was off the dais. Second Reading approved on November 19, 2015. Vote: 11-0. Owner/Applicant: Carma Easton, Inc. (Logan Kimble). Agent: Armbrust & Brown, L.L.P. (Lynn Ann Carley). City Staff: Wendy Rhoades, 512-974-7719.

**ANALYSIS / ADDITIONAL INFORMATION:**

**The fiscal information outlined below is based on the proposed Pilot Knob PUD zoning ordinance. This fiscal note is subject to change based on Council future direction action.**

**AUSTIN WATER UTILITY**

**Assumptions:**

- Fiscal Note assumes Pilot Knob fee waivers and financial contributions as outlined in the Pilot Knob zoning ordinance.
- Capital Recovery Fee waiver calculations assume developer provided numbers for lots and meters.
- Developer assumptions used for waiver calculations:
  - Residential units receiving 100% S.M.A.R.T. housing capital recovery fee waivers:
    - 5,000 single family lots (5/8" meters)
    - 1,500 condo/townhome units (5/8" meters)
  - Multifamily units receiving 25% S.M.A.R.T. housing capital recovery fee waivers:
    - 3,000 multifamily units (22 - 6"x2" meters)
  - Commercial, civic and recreational meters paying full capital recover fees:
    - Various meter sizes totaling 1,390 service units of capital recovery fees
- Capital Recovery Fees assume current approved rates of \$5,400 for water and \$2,200 for wastewater.
- Rate and bill impacts assume Pilot Knob units to be constructed over a 20-year buildout estimate.

- Current average residential customer water and wastewater monthly bill is \$80.24 based on 5,800 gals. water and 4,000 gals. Wastewater.

**Capital Recovery Fee Waivers for S.M.A.R.T. Housing:**

- Austin Water would waive \$51,490,000 in capital recovery fees for the 100% waivers for single family lots and condo/townhome units and the 25% waivers for multifamily meters.
- Over a 20-year buildout schedule, an average of \$2,574,500 capital recovery fees would be waived each year.

**Capital Recovery Fee Collections for Non-Residential units:**

- Austin Water would collect \$16,834,000 in capital recovery fees for the non-residential meters for commercial, civic or recreational properties.

**Service Revenues:**

- Austin Water would receive an average annual water and wastewater service revenue at an estimated \$3,563,336 over the 20-year buildout estimate. Revenue in earlier years would be below the annual average, while revenue in later years would be more than the annual average.

**Rate and Bill Impacts of Capital Recovery Fee Waivers for Pilot Knob:**

- Rate increases associated with Pilot Knob capital recovery fee waivers would likely be spread out over the first 5-7 years of development when units built per year would grow to an average of 350 per year.
- Total water and wastewater rate impact would be 0.5% increase over the initial 5-7 years.
- Total water and wastewater bill impact would be \$0.96 per month or \$11.49 annually per customer.
- First year rate impact in 2017 would be minimal, then building to total impact.

**DEVELOPMENT SERVICES DEPARTMENT**

Subdivision Application	Subdivision Inspection	Site Plan Application	Commercial Building Permits	Commercial Plan Review	Residential Building Permits	Residential Plan Review		Estimated Total
2,216 acres	2216 acres	4,500 units	4,500 units	4,500 units	5,000 units	5,000 units		
\$410 per acre	\$1173.28 per acre	\$120 per unit	\$654.58 per unit	\$1,235 per unit	\$705.12 per unit	\$355.68 per unit		
\$910,000	\$2.6 million	\$542,000	\$2.9 million	\$5.6 million	\$3.5 million	\$1.7 million		\$17.8 million*

\*Based on the following assumptions:

1. There is only 1-review cycle for the residential and commercial applications.
2. The average size unit is 2500 square feet
3. Documents do not take into account future development fee increases.
4. Commercial is based on 1,500 Condo/Townhome Units, and 3,000 multi-family units
5. Residential is based on 5,000 single-family units